AMY KLOBUCHAR MINNESOTA

COMMITTEES:

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AND TRANSPORTATION
JOINT ECONOMIC COMMITTEE
JUDICIARY

United States Senate

1144

WASHINGTON, DC 20510

December 21, 2017

The Honorable Ajit Pai Chairman Federal Communications Commission 445 12th Street, S.W. Washington, DC 20054

Dear Chairman Pai:

In light of recent actions by the Federal Communications Commission (FCC) to weaken media ownership limitations and troubling concerns raised about your impartiality in the review of Sinclair Broadcasting's proposed acquisition of Tribune Media, I ask that you recuse yourself from ongoing review of the transaction.

On September 29, 2017, I joined several colleagues in discouraging further attempts to relax the FCC's media ownership standards without a thorough public review of the state of the broadcast marketplace. These recommendations were ignored.

At its November Open Meeting, the FCC voted to significantly weaken regulations regarding competition in local media markets. The November vote followed recent FCC decisions to eliminate the Main Studio Rule and reinstate the UHF discount, which likely encouraged Sinclair and Tribune to enter into their merger agreement. With these changes, the FCC abandoned longstanding rules to promote competition in and across traditional forms of media, encourage locally-produced content, and preserve media outlets that provide a diversity of viewpoints.

The elimination of these rules has paved the way for further broadcast, radio, and print media consolidation in an increasingly concentrated economy. Sinclair Broadcasting is the largest owner of local television stations in the country and a combined Sinclair-Tribune would own 233 television stations and reach 72 percent of American households.

The FCC rule changes also intensify the need for vigorous FCC review to prevent harmful transactions, as many proposed mergers would have previously been prevented outright under prior regulations. As a combined Sinclair/Tribune would possess significant control over the media marketplace, the review process for this agreement must include consideration of the broader public interest implications of this transaction.

In light of the stakes of the proposed Sinclair/Tribune merger, an impartial and independent FCC review is essential. Concerns have been raised that your involvement in events leading up to the proposed Sinclair/Tribune transaction created a regulatory environment that would allow this transaction to proceed without FCC review. To preserve the integrity of the FCC transaction review process, we ask that you recuse yourself from the FCC's review of Sinclair Broadcasting's proposed acquisition of Tribune Media.

The proposed rule changes and the Sinclair/Tribune transaction may raise serious competition concerns, potentially affecting millions of consumers. I urge the FCC to preserve the public interest in its review of Sinclair Broadcasting's proposed acquisition of Tribune Media and ask that you recuse yourself from ongoing review of that transaction.

Sincerely,

Amy Klobuchac

United States Senator



FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

February 7, 2018

The Honorable Amy Klobuchar United States Senate 302 Hart Senate Office Building Washington, D.C. 20510

Dear Senator Klobuchar:

I have received your request that I recuse myself from voting on the pending acquisition by Sinclair Broadcasting Group of the licenses of Tribune Media.

I respectfully decline to recuse. I have confirmed with the FCC's Office of General Counsel that nothing in the law suggests that recusal is appropriate, much less required, in these circumstances. And it should go without saying that mere policy differences do not warrant recusal.

Since joining the Federal Communications Commission in 2012, my actions to promote a vibrant and free over-the-air broadcast service have been motivated by my belief that a strong over-the-air broadcast service advances the public interest. And I am not alone in that belief: The Commission has worked with the National Association of Broadcasters (NAB), America's Public Television Stations, the National Religious Broadcasters, Univision, and literally hundreds of small-town radio and television broadcasters to ensure that our media regulations match the modern marketplace.

Sincerely,

Ajit V. Pai

NAB Statement Regarding Calls for FCC Chair's Recusal on Media Ownership Reform, Next Gen TV (Nov. 15, 2017), available at http://www.nab.org/documents/newsRoom/pressRelease.asp?id=4280.

¹ Incidentally, with respect to a similar recusal request, the nonpartisan NAB has stated as follows:

[&]quot;The actions proposed by Chairman Pai and supported by the NAB and scores of broadcasters have industry-wide implications with a profound impact that is broader than any one company. For decades, the broadcast industry has asked the FCC to modernize its media ownership rules, and NAB itself petitioned the FCC to allow broadcasters to innovate and voluntarily employ a Next Gen TV standard, advocated for the elimination of the main studio rule and urged a holistic approach to the UHF discount.

We appreciate that Chairman Pai has looked at facts over politics and consistently supported these and related updates to both radio and TV broadcasting regulations since he first became a Commissioner in 2012."